



U.S. DEPARTMENT OF ENERGY  
Office of Electricity Delivery and  
Energy Reliability

# ENERGY ASSURANCE DAILY

Tuesday, April 18, 2006

## *Major Developments*

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### **Rolling Blackouts Throughout Most of Texas for Two Hours April 17 Utilities and Public Given Little Warning of Impending Blackouts**

The Electric Reliability Council of Texas (ERCOT) ordered rolling blackouts yesterday afternoon (throughout the 80 percent of Texas it oversees.) The last time ERCOT had to order rolling blackouts throughout Texas was in 1989. The rolling blackouts were ordered because: 1) extremely hot weather sent demand skyrocketing in the afternoon. Typical usage for Texas in April is about 40,000 megawatts a day, but the state peaked at 52,000 megawatts on Monday; 2) about 15 percent of the state's electricity generating units were off-line for routine Spring maintenance; and 3) four electric generating units (1200 megawatts of capacity) went off line unexpectedly during the time of peak demand. The hot weather and the amount of generation available were known going into yesterday afternoon and some officials are wondering why public appeals to conserve were not issued earlier. It is hard to estimate how many customers were out at any one time since all of the many utilities in Texas were shedding load and turning power off to many of their customers, but rotating these outages every 15 to 40 minutes. It is estimated that hundreds of thousands were out simultaneously at the peak of the problem. These rolling blackouts took place over a two- hour period yesterday.

[See sources following next story]

### **ERCOT Makes Public Appeal for Conservation of Electricity for April 18, Particularly During the Afternoon**

ERCOT does not think there will be a need for rolling blackouts today, but has issued public appeals to conserve electricity between the hours of 3 and 7 p.m. Demand will be high again this afternoon as temperatures are predicted to remain in the 90s and 100s in much of Texas today.

<http://www.nbc5i.com/news/8794207/detail.html?rss=dfw&psp=news>

<http://www.kxan.com/Global/story.asp?S=4780316>

[http://www.charlotte.com/mld/cctimes/news/nation/14367216.htm?source=rss&channel=cctimes\\_nation](http://www.charlotte.com/mld/cctimes/news/nation/14367216.htm?source=rss&channel=cctimes_nation)

[http://www.zwire.com/site/news.cfm?newsid=16494719&BRD=2290&PAG=461&dept\\_id=569392&rfti=6](http://www.zwire.com/site/news.cfm?newsid=16494719&BRD=2290&PAG=461&dept_id=569392&rfti=6)

[http://www.sanangelostandardtimes.com/sast/news\\_local/article/0,1897,SAST\\_4956\\_4629682,00.html](http://www.sanangelostandardtimes.com/sast/news_local/article/0,1897,SAST_4956_4629682,00.html)

<http://www.newsday.com/news/nationworld/wire/sns-ap-power-blackouts,0,3049666.story?coll=sns-ap-nationworld-headlines>

<http://www.cnn.com/2006/WEATHER/04/18/texas.blackouts.ap/index.html>

<http://www.chron.com/disp/story.mpl/business/3800112.html>

<http://www.dailytexanonline.com/media/storage/paper410/news/2006/04/18/TopStories/Half-Of.Austin.Energys.Customers.Left.In.Dark-1859257->

[page2.shtml?nrewrite200604181314&sourcedomain=www.dailytexanonline.com](http://page2.shtml?nrewrite200604181314&sourcedomain=www.dailytexanonline.com)

## *Electricity*

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### **20,000 Duke Energy Customers Lose Power in North Carolina April 17**

<http://www.charlotte.com/mld/charlotte/news/14365869.htm>

### **BPA DC's 2,473 MW Lines to be Shut in California April 19**

Bonneville Power Administration DC lines will shut from 7 a.m. to midnight on Wednesday, April 19.  
Reuters, 17:55 April 17, 2006.

### **New Lower Mount Bethel Gas-fired Plant Rarely Operates in Pennsylvania**

This plant owned by Pennsylvania Power and Light is the utility's newest, but with the price of natural gas so high, it is too costly to operate.

<http://www.timesleader.com/mld/timesleader/news/local/14354864.htm>

### **Update: Ontario Power's 490 MW Coal-Fired Unit 4 at Nanticoke Back in Service April 18**

The unit, which was shut over the weekend, is now back in service as of early Tuesday, April 18, 2006.  
Reuters, 08:13 April 18, 2006.

### **Duke's 846 MW Unit 2 at Oconee Nuke Plant at Full Power in South Carolina April 18**

Unit 2 at Oconee nuclear power plant, which was automatically shut due to a cooling pump failure on April 13, is now back to service at full power.  
Reuters, 07:17 April 18, 2006.

### **Wisconsin P&L Plans 300 MW Coal-fired Plant**

Wisconsin Power & Light Co. is planning to build an additional 300-megawatt generating unit at either its plant in Cassville or in the town of Pacific, near Portage.

<http://milwaukee.bizjournals.com/milwaukee/stories/2006/04/17/daily5.html?t=printable>

## ***Petroleum***

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### **OPIS Reports Gasoline Supplies Scarce in Virginia, Outages Expected as Transition from MTBE Runs into Snags**

According to OPIS, the Kinder Morgan terminal in Richmond has blends of reformulated gasoline (RFG) but a problem with a vapor recovery unit is preventing the movement of the product to racks. OPIS quotes sources as saying that supplies are scarce or unavailable in portions of Virginia and some marketers anticipate that station outages will develop. Information is spotty but one refinery is said to be out of reformulated gasoline. Reports ranging from low supplies to spot outages have surfaced in Yorktown, Virginia Beach and Richmond. Marketers have asked for a waiver from the RFG standard but the state has denied the request. Sources indicate that outages are likely to be of short-term duration with some areas being re-supplied by next week.

OPIS, 17:34 April 18, 2006.

### **FCC Unit at Valero's 243,000 b/d Port Arthur Refinery Down, Output Curtailed**

Valero announced that gasoline production at its 243,000 b/d Texas City refinery has been reduced because of a problem with a fluid catalytic cracking unit. The company anticipates that production will be reduced by approximately 60,000 b/d and that the duration of the outage will last about one week.

Bloomberg, 12:53 April 18, 2006.

Reuters, 12:32 April 18, 2006.

### **Update: BP Confirms Resumption of Fuel Production at its Texas City Refinery**

BP has confirmed reports that fuel production and production of petrochemicals have resumed at its 460,000 b/d Texas City refinery.

Bloomberg, 11:34 April 18, 2006.

### **Nigeria Yoho Oil Export Port Suspended Due to a Power Failure**

On April 18, ExxonMobil in Nigeria suspended crude oil loadings at its 150,000 b/d Yoho export terminal, because of a power failure caused by a mechanical fault at the terminal. This suspension of crude oil loadings aggravated Nigeria's export problems, which have resulted in shutting in some 550,000 b/d of production.

Reuters, 12:46 April 18, 2006.

**Pasadena Refining Shut FCC Unit at its 100,000 b/d Refinery in Texas April 16**

According to a filing with Texas Commission for Environmental Quality, Pasadena Refining shut its gasoline-making fluid catalytic cracking unit at its 100,000 b/d refinery in Pasadena, Texas on April 16 when the unit's compressor tripped. The unit is expected to be down for two to three weeks.  
Reuters, 08:39 April 18, 2006.

**Update: Venezuela's Cardon Oil Refinery Still Down**

The refinery was attempting a restart on Sunday when a fire broke out.

<http://www.chron.com/dispatch/story.mpl/ap/fn/3799350.html>

**Update: Chad Threat to Halt U.S. Oil Production Delayed Until End of April**

Chad had originally threatened to shut down oil production in the country on Tuesday April 18 over a disagreement with the World Bank.

[http://www.energyintel.com/PublicationHomePage.asp?publication\\_id=31](http://www.energyintel.com/PublicationHomePage.asp?publication_id=31)

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**Natural Gas****Open Season for Kinder Morgan's Proposed MidContinent Pipeline**

Kinder Morgan has announced an open season for its proposed 780-mile Kinder Morgan MidContinent Express Pipeline.

<http://intelligencepress.com/>

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**Other News****Alliance to Develop New Coal Mine in Kentucky**

Alliance Resource Partners plans a 3.5 million short tons per year coal mine in Union County, Kentucky. Alliance plans to begin operating the underground mine in 2008 or 2009.

<http://www.platts.com/Coal/News/7392377.xml?p=Coal/News&sub=Coal>

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**Energy Prices**

U.S. Oil and Gas Prices			
April 18, 2006			
	Today	Week Ago	Year Ago
<b>CRUDE OIL</b>			
<b>West Texas Intermediate U.S.</b>	71.31	69.03	50.52
\$/Barrel			
<b>NATURAL GAS</b>			
<b>Henry Hub</b>	7.60	6.99	6.95
\$/Million Btu			

Source: Reuters

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**Energy Notes****The Public Utilities Commission of Ohio Says AEP Reliability Must be Improved**

<http://biz.yahoo.com/bizj/060418/1274474.html?v=1>

**FERC Will Not Reopen Weaver's Cove LNG Case**

<http://intelligencepress.com/>

**Wisconsin Power and Light Details Generation Plan**

[http://pepei.pennnet.com/Articles/Article\\_Display.cfm?ARTICLE\\_ID=252771&p=6](http://pepei.pennnet.com/Articles/Article_Display.cfm?ARTICLE_ID=252771&p=6)

**AES to Invest \$1 billion Over Next 3 years to Expand Alternative Energy**

[http://pepei.pennnet.com/Articles/Article\\_Display.cfm?Section=ARTCL&SubSection=Display&PUBLICATION\\_ID=6&ARTICLE\\_ID=252849](http://pepei.pennnet.com/Articles/Article_Display.cfm?Section=ARTCL&SubSection=Display&PUBLICATION_ID=6&ARTICLE_ID=252849)

**Concern Mounting Over Rate of North Slope Oil Production Decline**

<http://www.platts.com/Oil/News/7392732.xml?p=Oil/News&sub=Oil>

**California and Wyoming Governors Sign Deal on Clean-Coal Plant**

<http://www.platts.com/Electric%20Power/News/7394051.xml?p=Electric%20Power/News&sub=Electric%20Power>

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**Links**

***This Week in Petroleum*** from the Energy Information Administration (EIA)

<http://tonto.eia.doe.gov/oog/info/twip/twip.asp>

Updated every Wednesday.

***Weekly Petroleum Status Report*** from EIA

[http://www.eia.doe.gov/oil\\_gas/petroleum/data\\_publications/weekly\\_petroleum\\_status\\_report/wpsr.html](http://www.eia.doe.gov/oil_gas/petroleum/data_publications/weekly_petroleum_status_report/wpsr.html)

Updated at 10:30 AM and 1:00 PM EST every Wednesday.

***Natural Gas Weekly Update*** from EIA

<http://tonto.eia.doe.gov/oog/info/ngw/ngupdate.asp>

Updated after 2:00 PM EST every Thursday.

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